



FALL 2015

A Word from our President...

When my father and the founder of our great company, Miguel Facusse Barjum, passed away earlier this year, he could not have left Dinant in a stronger position, with high-tech facilities, a dedicated staff, and an outstanding range of products and brands. For over 55 years, Dinant has invested in Honduras during good times and bad, expanding its operations while creating more jobs and prosperity for this country. I will build on this legacy with major investments to Dinant's agricultural and consumer products divisions, enabling us to meet our target of becoming the largest consumer products company in Central America and the Caribbean, and demonstrating our ongoing commitment to the people of Honduras.

Over the next few months, we will increase productivity at our African Palm plantations, while continuing to provide technical and financial support to nearly 3,000 independent suppliers. We will improve the capacity and profitability of the 43 acres of fresh vegetables grown for export in our Comayagua greenhouses. We will invest further in Dinant's consumer products, including the highly successful Snacks Division that has already undergone a significant recent upgrade. And we are exploring building a new corn production line to meet extremely heavy consumer demand for the Ranchitas, Taco Ranch and Taqueritos brands, and to enable Dinant to target new markets such as the United States and Colombia.



At the same time, I remain passionate about the wider benefits that responsible businesses can bring to society. Dinant touches the lives of so many people: our 8,000 employees with living wages and pensions; underprivileged and indigenous communities to whom we provide free healthcare, education and training; and thousands of local independent producers. We rigidly implement the Voluntary Principles on Security & Human Rights. We have removed all firearms from security guards at our plantations, mills and factories. We benchmark our African Palm oil operations against stringent international standards. All our facilities have been awarded ISO 14000 & OHSAS 18001 status for environmental management and occupational health & safety. Our local Community Grievance Mechanisms ensure that all voices are heard. And we continue to develop our Environmental & Social Action Plan to help raise standards in Honduras. Finally, we are working with other stakeholders to find solutions to ongoing problems in the beautiful but troubled region of the Aguán.

I invite you to visit Dinant to see for yourself the significant investments we are making in Honduras.

Miguel Mauricio Facusse, Executive President



Investing in Honduras...

Dinant continues to make significant investments in Honduras: in our staff, products, operations, local communities and our natural environment.

- Executive President, Miguel Mauricio Facusse, recently announced major investments that will consolidate our brands' share of existing markets, enable us to launch exciting products in new markets, and demonstrate our **ongoing commitment to the people of Honduras**.
- **Bunkos**, our new range of healthy cereals fortified with vitamins and minerals, has received fantastic customer reviews.
- Our regional **Community Grievance Mechanisms**, designed in collaboration with local people, are providing simple, safe and reliable ways of communicating with us.
- Newly recruited **Community Social Liaison Staff** are now based at the heart of our local neighborhoods, ensuring that every voice is heard.
- We recently completed major **upgrades to our wastewater treatment and atmospheric emissions controls**.
- The Miguel Facusse Foundation, set up in honor of our founder, **awarded land titles to 80 families** living in Zacate Grande in southern Honduras.
- We are actively engaged with many local communities in the Bajo Aguán and are **committed to establishing a dialogue with all stakeholders** in this beautiful but troubled region of Honduras to find solutions to some of the problems faced by people living and working here.



Helping Families in Zacate Grande...

The Miguel Facusse Foundation has awarded formal legal land titles to 80 families living in Zacate Grande, located in the Gulf of Fonseca in southern Honduras.

These families, many of them farmers and fishermen, have been living and working in Zacate Grande for decades. By awarding formal legal titles, the Miguel Facusse Foundation is enabling local people to develop their communities as they wish, for example, by constructing schools, health centers, sports fields and churches, and therefore enhancing their quality of life and that of their children.

Since 1994, the Facusse family and Corporación Dinant have given over 600 land titles to low-income families, schools and societies in the Langues, Huatales, Earth Cheles, La Negra, Puerto Grande, La Flor, El Golfo and Punta Novillo communities.

For many years, the Miguel Facusse Foundation has worked with Zacate Grande communities to develop school programs, medical teams, food supplies, sports tournaments, recreation areas, forest conservation, and the breeding and releasing of endangered species, such as green iguanas and red macaws.

Investing in Local Communities...

Dinant has excellent relationships with most communities in which we live and work.

We provide **technical and financial support** for community development projects on rural electrification, maintenance and access roads, water and sanitation. We support **sustainable harvesting** of Corozo palm nuts in the [Pech, Garífuna and Ladino](#) ethnic communities, helping increase their incomes by 70% in recent years and ensuring viable supplies for the future. Our popular Yummies snacks are made using vegetables **supplied by local independent farmers**. We finance the employment of 11 school teachers in the Leán and Aguán valleys, **providing education to over 5,000 children** since 1997. And we provide staff & communities in Leán, San Pedro Sula, Comayagua and the Aguán with **8,000 free medical consultations** per year. Since 1998, we have supported 4 health clinics, recruited doctors and nurses, and given essential medicines to local people.

Like all organizations, we do not always get everything right. We try to recognize, take responsibility for, and fix our mistakes professionally and openly, and learn from them. That means listening to local communities, answering their questions, and thinking about improvements we can make. **We are undertaking a number of initiatives to understand our neighbors better.**



Working with highly qualified social sector consultants, we have carried out **stakeholder mapping**, socio-economic baseline surveys, socio-environmental and human rights assessments, and mitigation measures.

Our **regional Community Grievance Mechanisms** - designed in collaboration with local people to provide simple, safe and reliable ways of communicating with us – are now operating successfully in Comayagua, Leán and San Pedro Sula. Anyone can access the grievance mechanism on our website or via a free dedicated telephone hotline or by meeting our professional social liaison workers based at the heart of local communities.

We have placed **professional social liaison workers** in all our neighboring communities. These experienced and highly qualified counsellors will ensure that every voice is heard. Our most recent appointee, based within the local communities of the Aguán near Dinant's African Palm plantations and extraction mill, is now working with local people to design the specific Community Grievance Mechanism for that region.

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Investing in the Environment...

Dinant is making significant progress in protecting and enhancing the environment.

We continue to **rigorously benchmark our African Palm oil business against stringent international standards** regarding its economic, environmental and social impacts; the sustainability of our supplies; and our engagement with local stakeholders.

All of Dinant's operations in Honduras were recently awarded ISO 14001 and OHSAS 18001 status as a mark of their **progress in environmental management and occupational health & safety**, respectively. These awards were made to our foods factory, home care factory, snacks factory, bleach factory, RBD facilities in Guaymon, African Palm Oil extraction Mill in Lean, African Palm Extraction Mill in Aguán, fats & edible oils factory, our corporate headquarters, our distribution center in San Pedro Sula, greenhouses installations and 31 African Palm Oil plantations.

We have constructed a **high-tech biogas recovery unit** at our oil extraction mill in the Aguán (with another planned in León) that returns clean energy back to this self-sufficient facility. Producing electricity made purely from the byproducts of our oil extraction process, this biogas unit is registered as a Clean Development Mechanism project by the United Nations.

We recently completed **major upgrades to waste water treatment and atmospheric emissions controls** that will meet and eventually exceed all required environmental standards.

As our African Palm plantations have matured, our organic practices and **reduced use of artificial fertilizers** have allowed flora to flourish, providing animals with better nutrition, shelter and wildlife corridors.



We help over 2,500 local independent producers – who account for an important part of our African Palm fruit supply – with training and technical assistance, such as sharing our high-yield varieties at cost price.

Our wildlife reserves manage the breeding, rearing and release programs of endangered indigenous species, such as jaguar, tapir, red macaw, white-tailed deer and green iguana. And we conserve thousands of hectares of tropical rainforest at four protected areas in Honduras.

Introducing Bunkos!

Bunkos, our new range of healthy cereals fortified with vitamins and minerals, recently launched to fantastic customer reviews.

Bunkos are made at our high-tech manufacturing plant at San Pedro Sula, the home of Dinant's famous "Yummies" snacks. We are considering building a new production line to meet extremely heavy consumer demand for all our corn products – including the Ranchitas, Taco Ranch and Taqueritos brands – and to enable Dinant to target new markets such as the United States and Colombia.



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Modernizing our Security...

Dinant continues to place the highest priority on modernizing our security.

We recognize that security is essential but often challenging. We are working hard to improve difficult situations in some of the poorest parts of Honduras by respecting human rights, by following local laws and international standards, and by mitigating the potential for conflict.

Leading the way in Honduras, Dinant follows the **Voluntary Principles on Security & Human Rights** that govern how we vet, recruit and train our security guards, and how they engage with the public.

We have **removed all firearms from the security guards** at our plantations, manufacturing plants and mills. All security men and women at these facilities now carry only a baton, whistle and cell phone, while wearing a high-visibility vest.

Dinant's enhanced Security Manual - the result of months of consultation and 3,600 hours of training – enforces our requirement that **employees and contractors always act with respect and courtesy towards the public**. It draws on our Ethics Standards, Human Rights Policy, Security Policy and training by the International Committee of the Red Cross.



Through **continued training, 100% background checks and re-vetting procedures**, Dinant will continue to improve its security procedures yet further in future.

Investing in the Aguán's Sustainable Future...

Although Dinant is only one of many stakeholders in the Aguán region of Honduras, we recognize that as a major employer and driver of economic growth we have an important role to play in securing a safer and more prosperous future for this beautiful but troubled region.



Dinant is committed to participating fully in an approach suggested by Consensus Building Institute (CBI), under the supervision of the International Finance Corporation (IFC), to bring together all stakeholders in the Aguán to discuss constructive solutions to some of the problems faced by people living and working in this part of Honduras. As part of this dialogue, Dinant has agreed for an independent board to review its land titles and related documents, and for the findings to be made available to any party.

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